



Be the **Right ONE**

New Global Vision and Long-Term Business Plan

May 6, 2016

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Be the **Right ONE**

Review of the Past Five Years



Be the **Right ONE**

VISION 2015 and GLOBAL 2020 VISION

VISION 2015 — Lead the Next—

Complement the automotive business with second and third core earnings drivers
Achieve a 50:50 balance between automotive and non-automotive businesses

GLOBAL 2020 VISION

Establish businesses in three domains and generate synergies among them to achieve a business portfolio with a balanced 1:1:1 ratio among the three domains



Ratio of Automotive and Non-Automotive

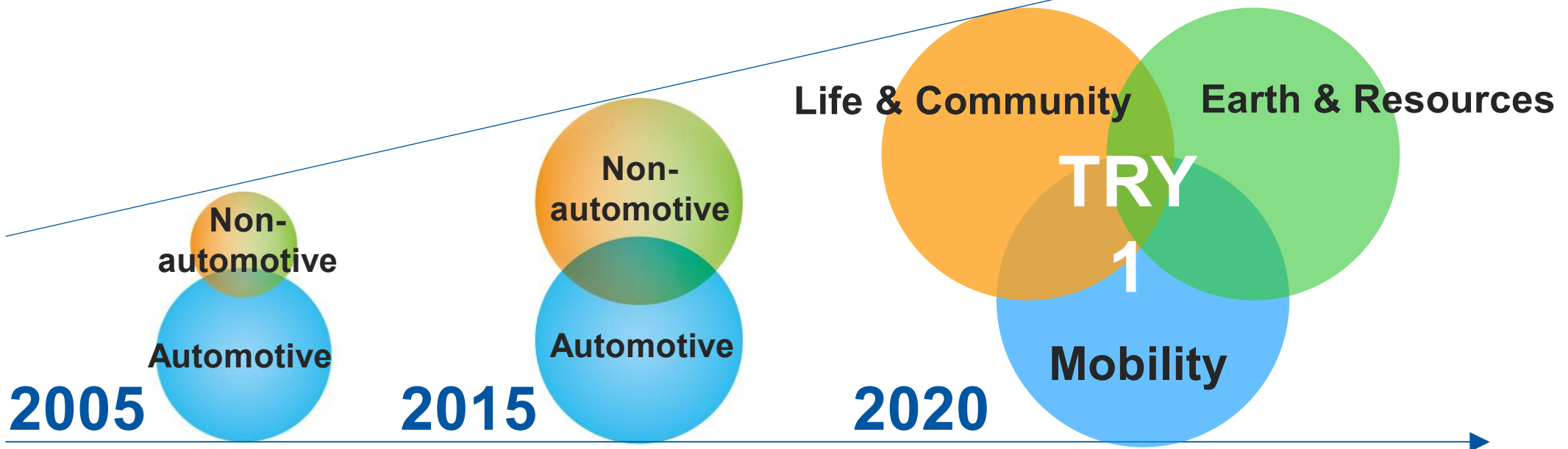
March 31, 2006: Approx. 80:20

March 31, 2016: Approx. 60:40

(excluding non-recurring factors)



Move forward to our new Global Vision



GLOBAL 2020 VISION and Ideal Image

Successes after Five Years

Mobility

A business domain contributing to the evolution of next-generation automobiles



- **Expand and deepen our automotive value chain**
- **Develop sales networks and production bases in emerging countries**

Life & Community

A business domain contributing to better lifestyles



- **Establish a presence as a general electronics trading company**
- **Develop retail businesses in Africa**

Earth & Resources

A business domain contributing solutions to global issues



- **Expand the wind and solar power generation businesses in Japan and overseas**
- **Develop infrastructure to popularize next-generation automobiles**

Invested in trading company CFAO, which is strong in Africa



Major Investments to Achieve TRY1

Made Eurus Energy a Subsidiary
 Contribute to a green society with renewable energy

Tomen Electronics Tender Offer
 Maximize Group synergy

Investment in Elematec
 Move upstream in the electronics business

Investment in CFAO
 Central to our strategy in Africa

Investment in NovaAgri
 Enhance our grain value chain

2011

Aug. 2011

Jan. 2012

Aug. 2012

Aug. 2014

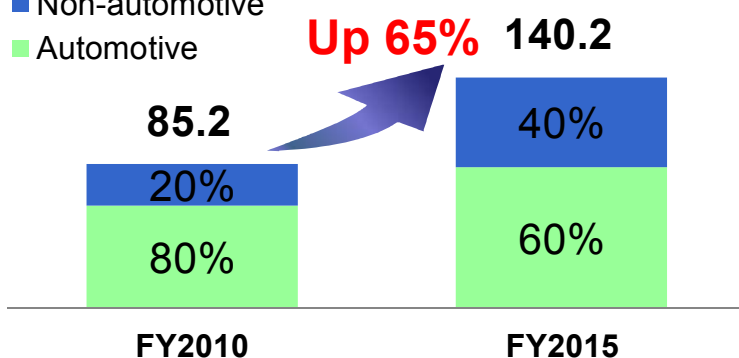
May 2015

2016



Operating Income

- Non-automotive
- Automotive

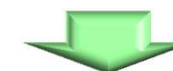


	FY2010	FY2015	Change
Metals	37.9	37.4	-0.5
Global Parts & Logistics	10.3	21.6	11.3
Automotive	23.4	37.9	14.5
Subtotal	71.6	96.9	25.3
Machinery, Energy & Project	3.2	21.3	18.1
Chemicals & Electronics	12.0	24.9	12.9
Food & Agribusiness	0.8	3.6	2.8
Consumer Products & Services	1.7	5.0	3.3
Subtotal	17.7	54.8	37.1
Corporate	-4.1	-11.5	-7.4
Total	85.2	140.2	55.0

	FY2010	FY2015	Change
Total assets	2,436.2	3,952.1	1,515.9
Capital employed	1,248.9	2,158.5	909.6
Net interest-bearing debt	581.3	1,102.7	521.4
Shareholders' equity	642.9	777.4	134.5

	FY2010	FY2015	Change
Net DER (times)	1.0	1.2	0.2

Total assets **62% increase**
Shareholders' equity **21% increase**



Our task: Improve capital efficiency and financial strength

Approx. JPY 1 trillion in investment over 5 years

Major Investments		Approx. Amount
CFAO		240
Automotive		250
Non-auto motive	Metals	30
	Machinery, Energy & Project	210
	Chemicals & Electronics	70
	Food & Consumer Services	50
	Other	150

Issues Identified

Environment analysis & business evaluation

Select partners & allocate responsibilities

Expertise, experience & management capabilities

Respond to changes in customer needs & the market environment

Countermeasures

We will build a new future and focus on businesses that only we could make



Make the most of our characteristic strengths and insight



Each employee must think like a manager in executing initiatives



Be the **Right ONE**

New Global Vision

Global Vision — Ideal Image

For the next 10 years, the Toyota Tsusho Group will evoke our ideal as

Ideal Image



Be the **Right ONE**

The Right ONE for you

The best assurance of safety, quality, and reliability — based on your needs (Genba)

The Right ONE for us

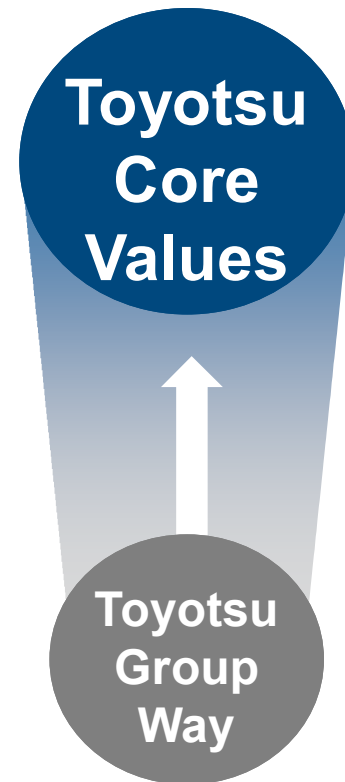
Maximization of individual capabilities, global networks and diversity to create synergistic strengths

The Right ONE for future

Unique insights and capabilities to explore new possibilities for future and sustainable society

Global Vision — Toyotsu Core Values

To realize the vision, we will materialize
Toyotsu Group Way as Toyotsu Core Values
for basic approaches in the next 10 years



- **Genba-focus**
Ability to deliver added value where it is needed
- **Collective force**
Empowered people, comprehensive strength
- **Innovator spirit**
Ability to actualize our unique capabilities

- On site, hands on, in touch
- Teamwork
- Passion for business

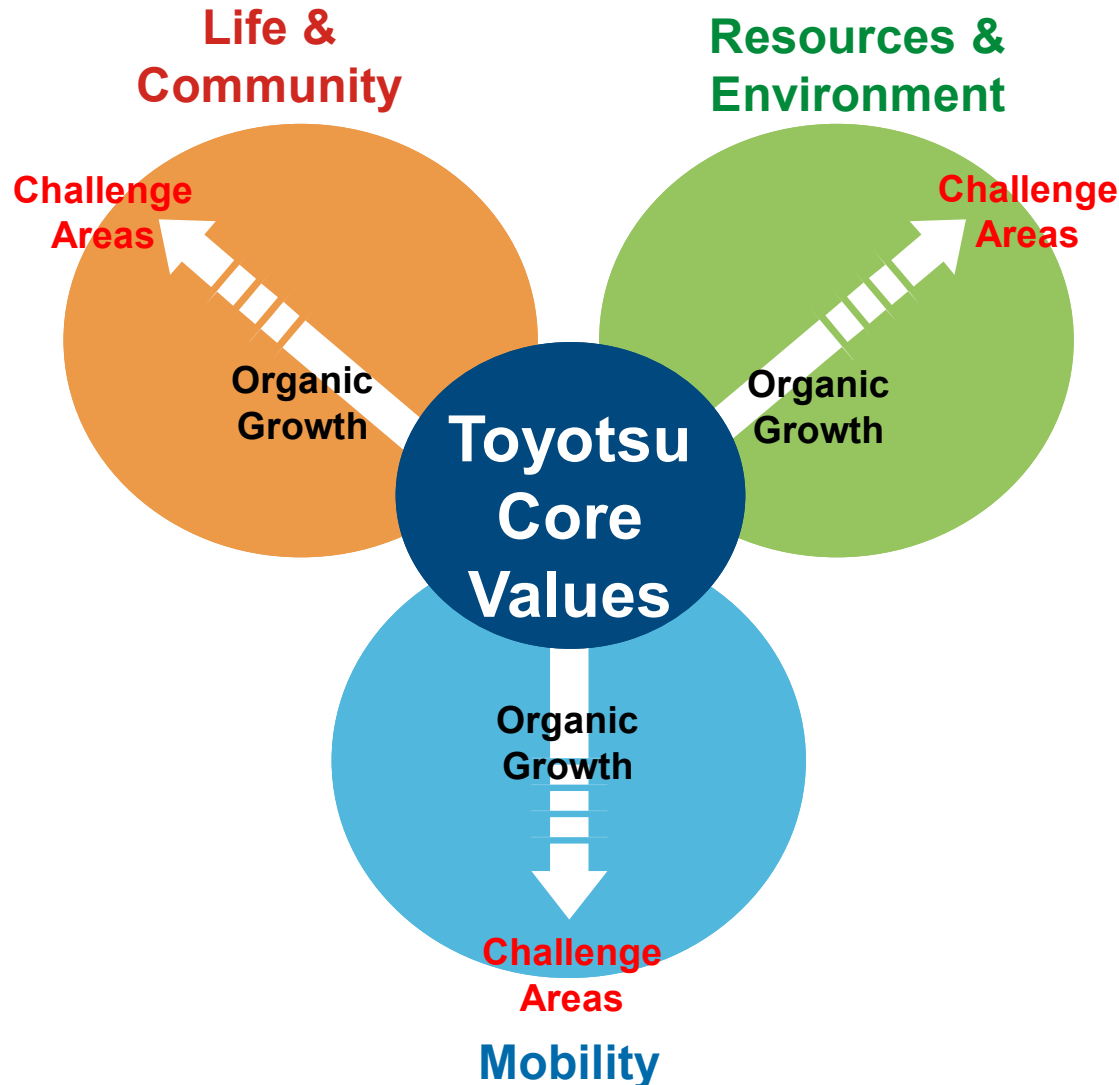
We will focus on Toyotsu Core Values and further enhance these elements while displaying and utilizing them.



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Global Vision

— Toyotsu Core Values to Realize Growth



Organic growth

- Expansion of our current business with our own internally generated resources.

Challenge Areas

- Business expansion in new areas where we can utilize our expertise in region and/or business domain from our Toyotsu Core Values such as **Genba-focus**
- New business development with a focus on innovative technologies, services and products utilizing **Collective force** and **Innovator spirit**

New Global Vision: Core Concepts

The Toyota Tsusho Group's 50,000 employees worldwide will share the ideal image through Global Diversity & Inclusion

The Vision of growth in three domains will not change

We will compete and succeed by evolving the way we exhibit and employ the Toyotsu Core Values

Our long-term plan has specific strategies and quantitative benchmarks for each domain



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Long-Term Business Plan for FY2020

Achieving Our Long-Term Business Plan

Management Strategy

Strengthen our earnings foundation and take on challenges in our three domains

- Get back to fundamentals and rely on the Toyotsu Core Values to achieve growth
- Reallocate limited managerial resources

Investment Policy

Increase returns on investment by rigorously employing quantitative benchmarks

- Selective investment within operating cash flow
- Focus on project proposals that allow us to assert our characteristic strengths

Financial Policy

Strengthen cash flow management

- Reduce interest-bearing debt
- Increase shareholder returns (dividends) in stages

Long-Term Business Plan: Quantitative Targets

(Billion yen)

		FY2014 Results	FY2015 Results	FY2016 Plan	FY2020 Target
PL	Net sales	8,663.4	8,170.2	7,300.0	9,400.0
	Operating income	169.4	140.2	144.0	220.0
	Net income	67.5	-43.7	70.0	120.0
BS	Total assets	4,533.6	3,952.1	4,375.0	5,400.0
	Shareholders' equity	844.4	777.4	825.6	1,150.0
	Net assets	1,304.4	1,055.7	1,199.0	1,450.0
	Net interest-bearing debt	1,233.5	1,102.7	1,050.0	1,200.0
	RA:RB	1:1	1.1:1	—	1.0 times or below
	ROE (%)	6.4	—	6.9	10-13
	Net DER (times)	1.1	1.2	1.1	1.5 or below

RA/RB
less than 1.0 times

Review existing assets and business with poor capital efficiency to maintain sound, stable finances

ROE
10%-13%

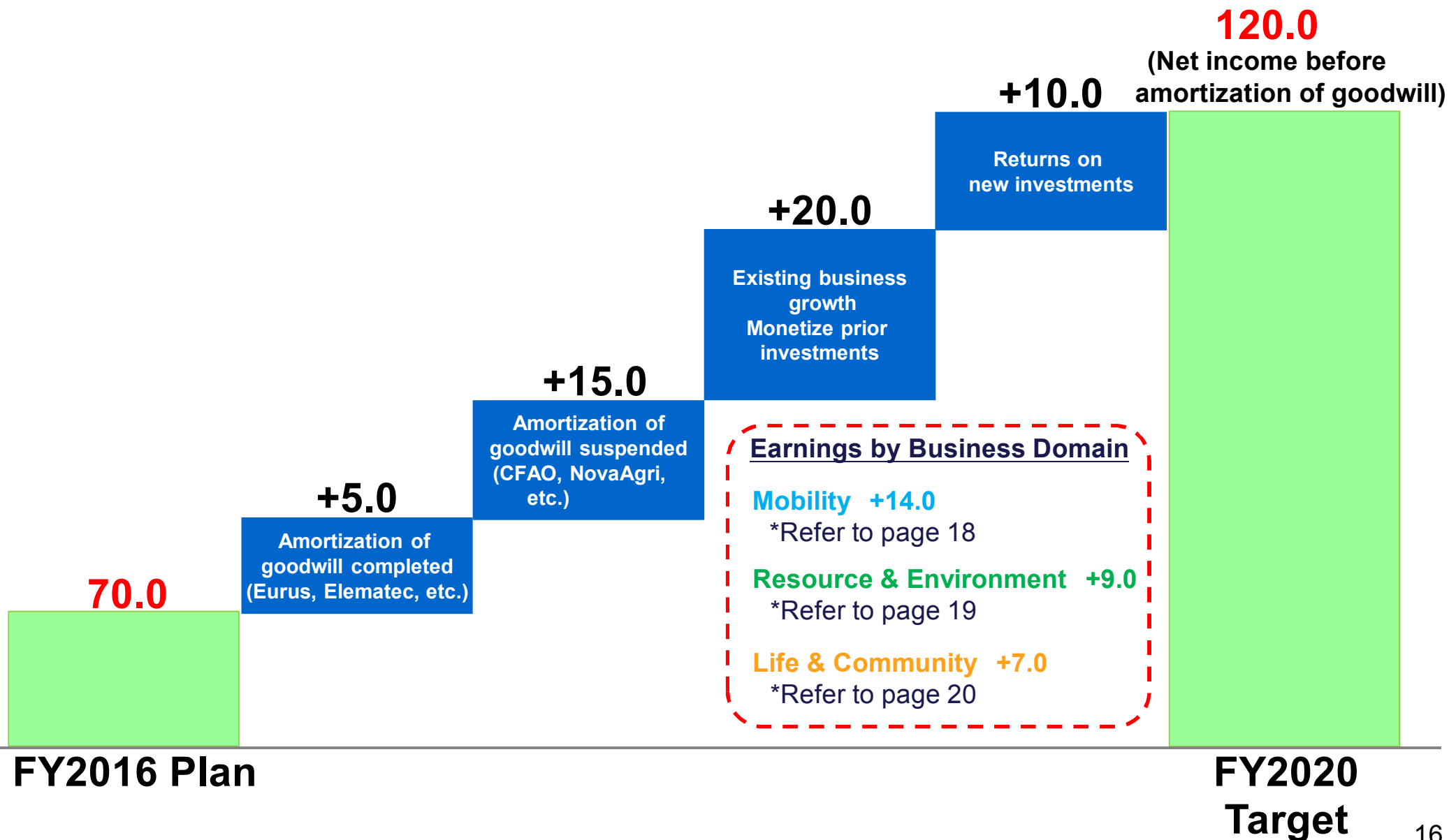
Use investment benchmarks based on capital costs as a means to increase ROE

Net DER
1.5 times or below

Ensure positive free cash flow and restrain growth in interest-bearing debt

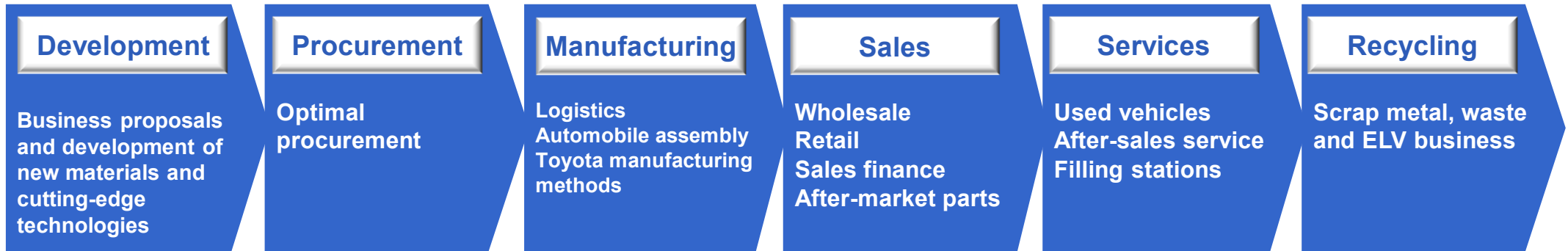
FY2020: Multistage Net Income Targets

(Billion yen)

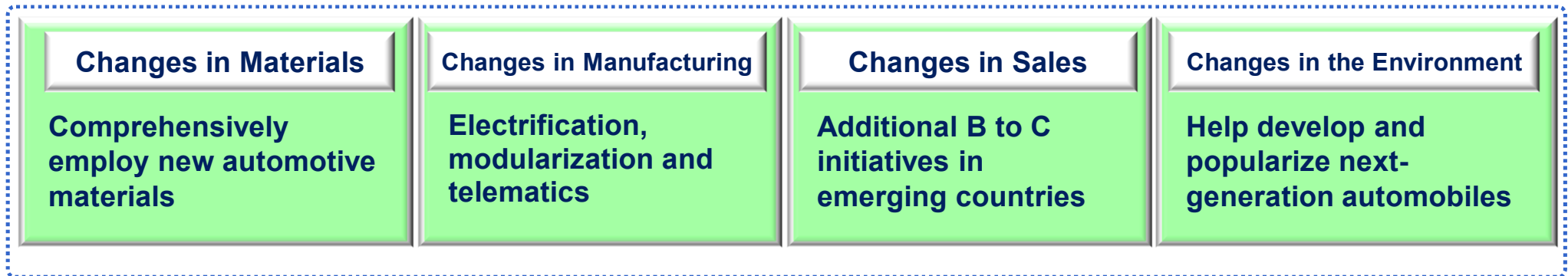


Our Capabilities in the Mobility Domain

Existing Strengths



Taking on New Capabilities



Earn customer trust by continuing to propose highly valuable business, deepening value chains, and ensuring stable supply

Ideal Image – Mobility

Toyotsu Core Values

Metals

- Establish more efficient, lower-cost models for emerging countries
- Use new materials and new technologies

Global Parts & Logistics

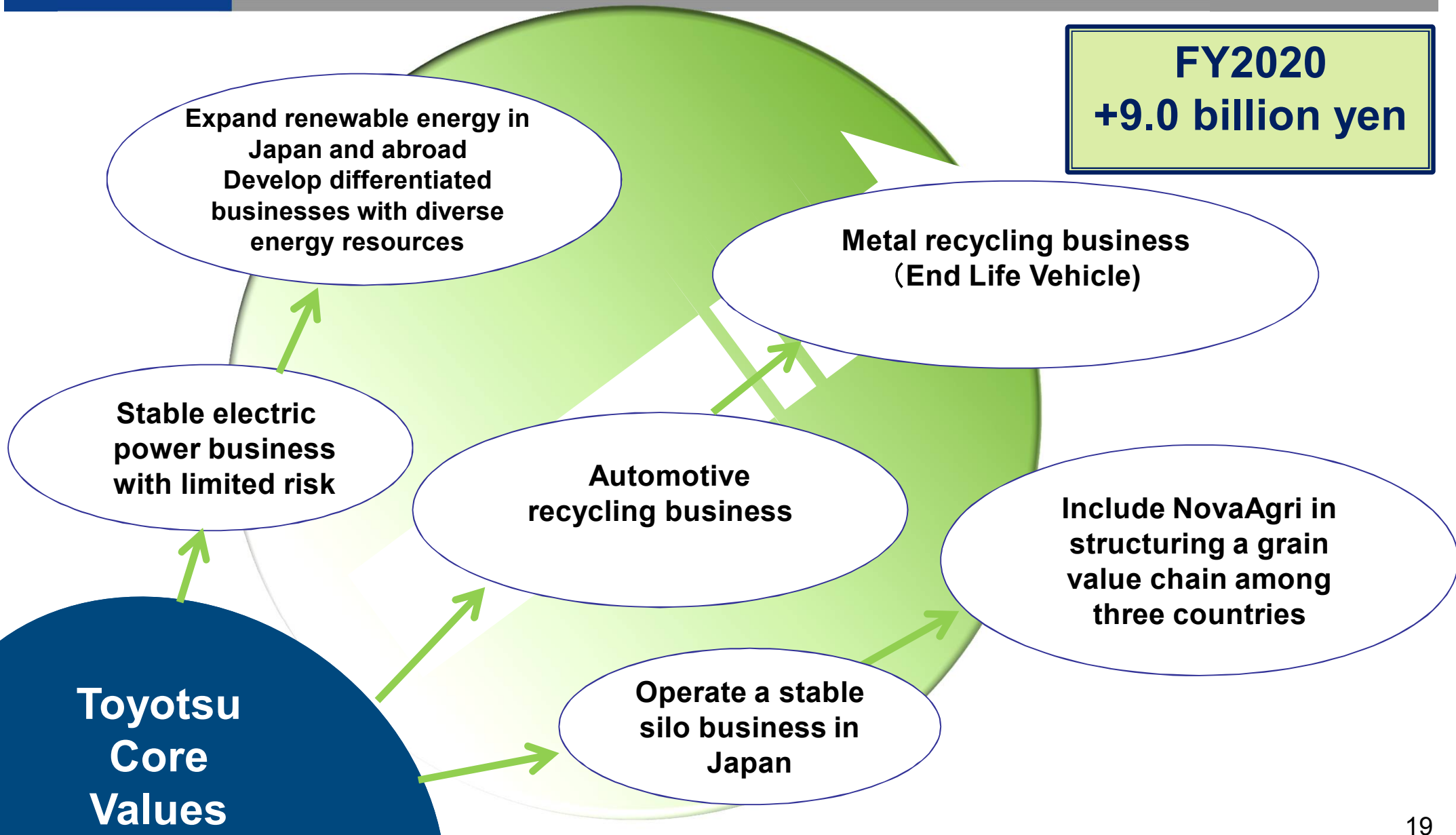
- Establish logistics strategy and construct systems in each region
- Use modularization and assembly

Automotive

- Distributor and dealer businesses that are less affected by oil price movements
- Strengthen sales in emerging countries by adding B to C to B to B
- Make automotive-related businesses profitable and more sophisticated

FY2020
+14.0 billion yen

Ideal Image – Resources & Environment

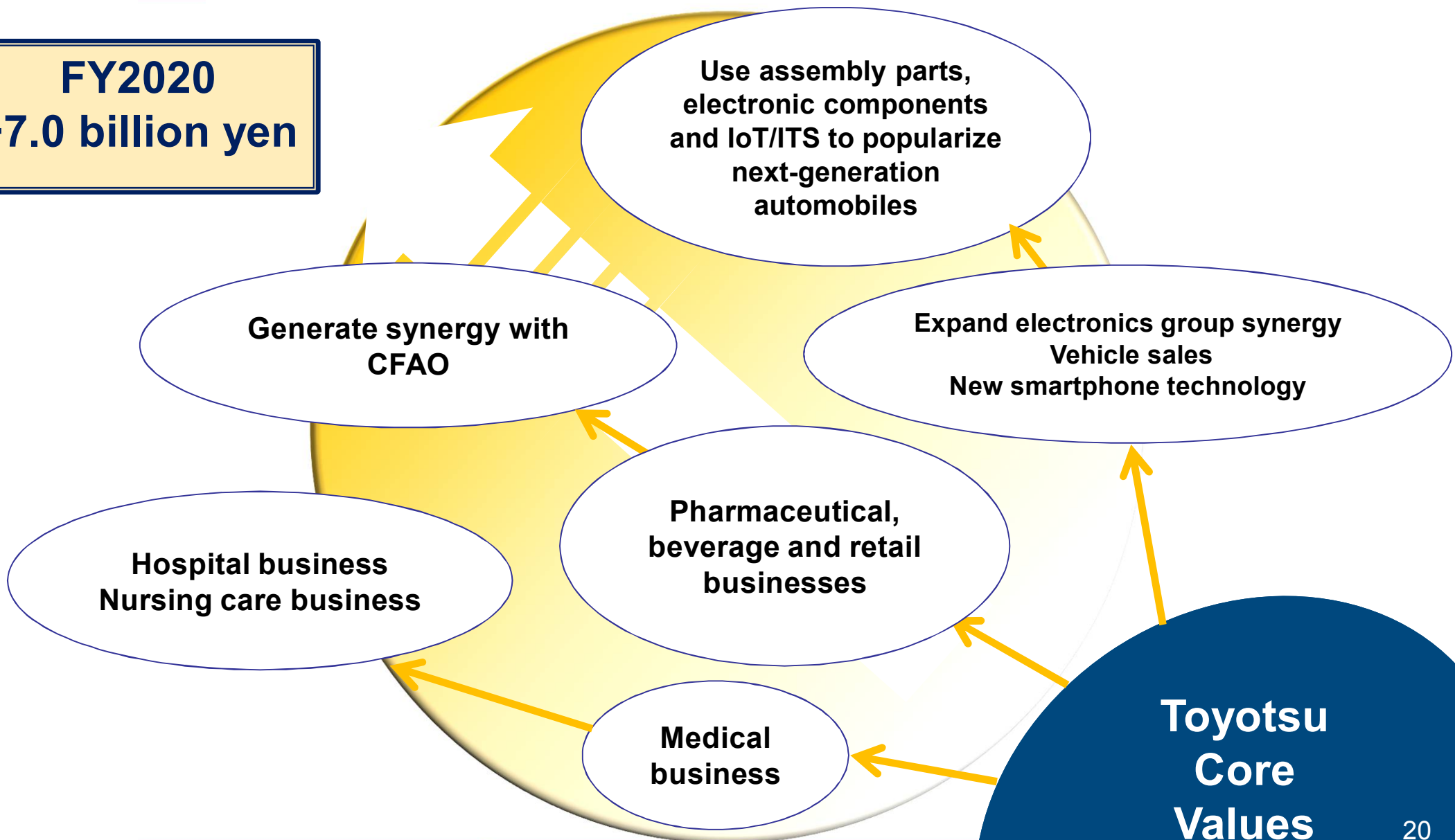




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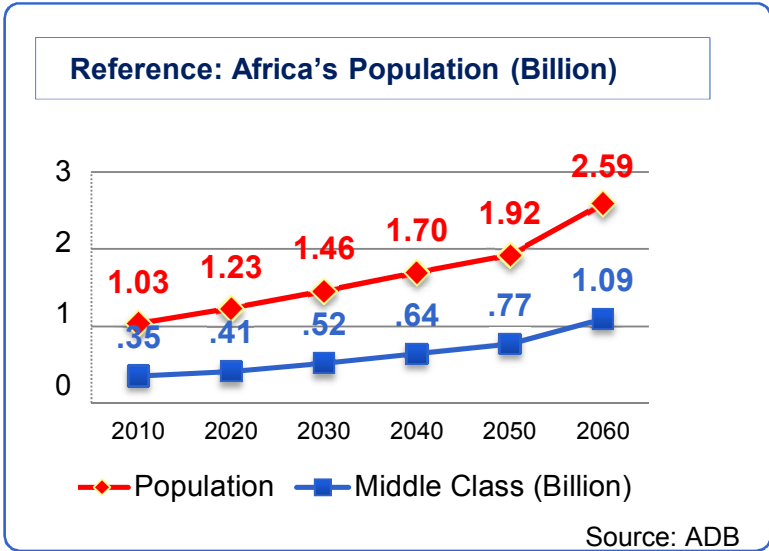
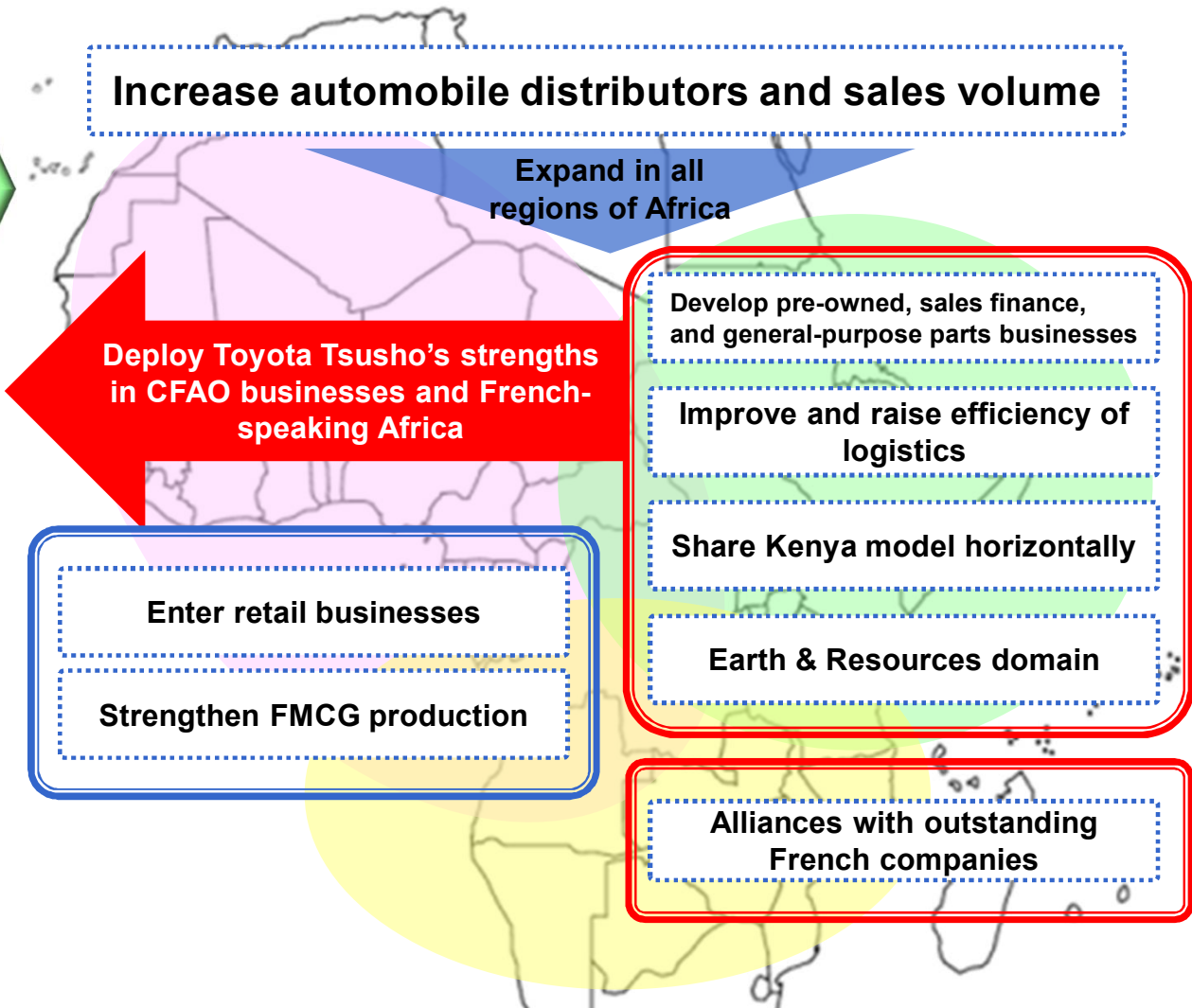
Ideal Image – Life & Community

FY2020
+7.0 billion yen



Growth Strategy for High-Potential Africa

Generate synergy with CFAO from a long-term perspective
 Goal: JPY 10.0 billion growth in earnings
 *Refer to pages 18-20



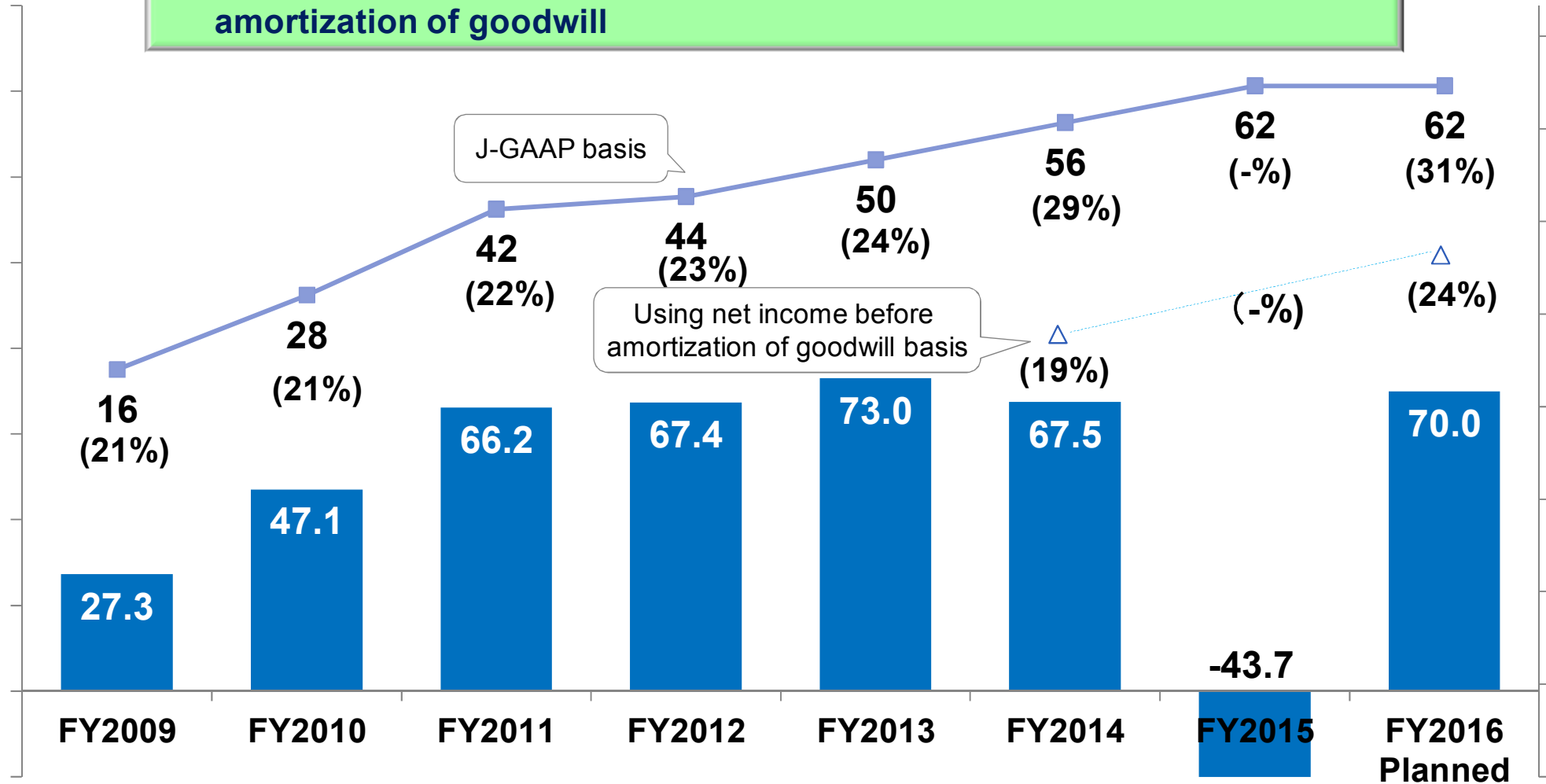
Target the middle class in rapidly growing Africa and complement B to B with B to C



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Dividend Policy

We will generate stable, sustained shareholder returns with a target consolidated payout ratio of 25% calculated using net income before amortization of goodwill



■ Net Income (Billion Yen) ■ Dividends (Yen) (Payout Ratio %)

Toyota Tsusho Group's Fundamental Philosophy

We aim to be a value-generating corporation that contributes to the creation of a prosperous society. As a good corporate citizen, we will respect people, and create an active workplace worth working in.

Promote Global Diversity & Inclusion

Create an environment of respect for and acceptance of respective differences in which all employees can work energetically

- Participation of overseas staff in new Global Vision
- Initiate Work Style Review PJ to balance work and life

Strengthen Corporate Governance

Even more rigorous management, transparency, and thorough compliance

- Review and verify the investment process
→ Strengthen support and constraints
- Review past projects and share in-house
→ Help the next generation learn
- Newly establish the Executive Appointment Meeting and Executive Compensation Meeting

Investor Relations Group

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